


| STATE OF UTAH<br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS AND MINING   |                  |  |  | FORM 3<br>AMENDED REPORT <input checked="" type="checkbox"/>  |              |                 |
|---|------------------|--|--|---|--------------|-----------------|
| <b>APPLICATION FOR PERMIT TO DRILL</b>  |                  |  |  | <b>1. WELL NAME and NUMBER</b><br>NBU 921-35C1CS  |              |                 |
| <b>2. TYPE OF WORK</b><br>DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> |                  |  |  | <b>3. FIELD OR WILDCAT</b><br>NATURAL BUTTES  |              |                 |
| <b>4. TYPE OF WELL</b><br>Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>   |                  |  |  | <b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b><br>NATURAL BUTTES  |              |                 |
| <b>6. NAME OF OPERATOR</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.  |                  |  |  | <b>7. OPERATOR PHONE</b><br>720 929-6007  |              |                 |
| <b>8. ADDRESS OF OPERATOR</b><br>P.O. Box 173779, Denver, CO, 80217   |                  |  |  | <b>9. OPERATOR E-MAIL</b><br>Kathy.SchneebeckDulnoan@anadarko.com   |              |                 |
| <b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b><br>UO 01194 ST  |                  | <b>11. MINERAL OWNERSHIP</b><br>FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>    |  | <b>12. SURFACE OWNERSHIP</b><br>FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |              |                 |
| <b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>  |                  |  |  | <b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>  |              |                 |
| <b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>   |                  |  |  | <b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>   |              |                 |
| <b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>   |                  | <b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b><br>YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/> |  | <b>19. SLANT</b><br>VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>                               |              |                 |
| <b>20. LOCATION OF WELL</b>   | <b>FOOTAGES</b>  | <b>QTR-QTR</b>   | <b>SECTION</b>   | <b>TOWNSHIP</b>   | <b>RANGE</b> | <b>MERIDIAN</b> |
| <b>LOCATION AT SURFACE</b>  | 399 FNL 1591 FWL | NENW   | 35   | 9.0 S   | 21.0 E       | S               |
| <b>Top of Uppermost Producing Zone</b>  | 522 FNL 2147 FWL | NENW   | 35   | 9.0 S   | 21.0 E       | S               |
| <b>At Total Depth</b>   | 522 FNL 2147 FWL | NENW   | 35   | 9.0 S   | 21.0 E       | S               |
| <b>21. COUNTY</b><br>UINTAH   |                  | <b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b><br>522  |  | <b>23. NUMBER OF ACRES IN DRILLING UNIT</b><br>1083   |              |                 |
|   |                  | <b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b><br>638  |  | <b>26. PROPOSED DEPTH</b><br>MD: 9746 TVD: 9684   |              |                 |
| <b>27. ELEVATION - GROUND LEVEL</b><br>4988   |                  | <b>28. BOND NUMBER</b><br>22013542   |  | <b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b><br>Permit #43-8496   |              |                 |
| <b>ATTACHMENTS</b>  |                  |  |  |   |              |                 |
| <b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>   |                  |  |  |   |              |                 |
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  |                  |  | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                 |   |              |                 |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)  |                  |  | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |   |              |                 |
| <input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)  |                  |  | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP                      |   |              |                 |
| <b>NAME</b> Danielle Piernot  |                  | <b>TITLE</b> Regulatory Analyst  |  | <b>PHONE</b> 720 929-6156   |              |                 |
| <b>SIGNATURE</b>  |                  | <b>DATE</b> 11/18/2010   |  | <b>EMAIL</b> gnbregulatory@anadarko.com   |              |                 |
| <b>API NUMBER ASSIGNED</b><br>43047513470000  |                  | <b>APPROVAL</b><br><br>Permit Manager  |  |   |              |                 |

| Proposed Hole, Casing, and Cement |                     |             |          |             |  |  |
|-----------------------------------|---------------------|-------------|----------|-------------|--|--|
| String                            | Hole Size           | Casing Size | Top (MD) | Bottom (MD) |  |  |
| Prod                              | 7.875               | 4.5         | 0        | 9746        |  |  |
| Pipe                              | Grade               | Length      | Weight   |             |  |  |
|                                   | Grade I-80 Buttress | 9746        | 11.6     |             |  |  |
|                                   |                     |             |          |             |  |  |

| Proposed Hole, Casing, and Cement |                 |             |          |             |  |  |
|-----------------------------------|-----------------|-------------|----------|-------------|--|--|
| String                            | Hole Size       | Casing Size | Top (MD) | Bottom (MD) |  |  |
| Surf                              | 11              | 8.625       | 0        | 2350        |  |  |
| Pipe                              | Grade           | Length      | Weight   |             |  |  |
|                                   | Grade J-55 LT&C | 2350        | 28.0     |             |  |  |
|                                   |                 |             |          |             |  |  |

